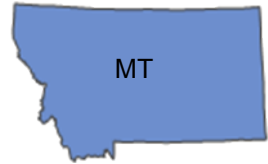




Description



MONTANA MORTGAGE BROKER LICENSE

Who is required to have this license?

Any entity (a business organization, including a sole proprietorship) that obtains, attempts to obtain, or assists in obtaining a mortgage loan for a borrower from a lender in return for, or in anticipation of, consideration. Attempting to obtain or assists in obtaining includes:

- referring a borrower to a mortgage lender or mortgage broker;
- soliciting or offering to solicit a mortgage loan on behalf of a borrower;
- negotiating or offering to negotiate the terms or conditions of a mortgage loan with a mortgage lender on behalf of a borrower.

An entity engaging in loan modification activity that falls within the above definition must be licensed as a mortgage broker.

A license is required for any entity that engages in the residential loan business with a borrower regarding residential real estate located in Montana from any location. A residential mortgage loan is a loan primarily for personal, family or household use secured by a security interest in a residential structure that contains 1 to 4 units, whether or not attached to real property, or residential real estate located in Montana. A residential structure includes a condo unit, a cooperative unit, and a mobile home or trailer, if used as a residence. Real property located in Montana upon which a dwelling is intended to be built within two years is included within this definition.

Who does not need this license?

- An entity that is an agency of federal, state, tribal, or local government.
- A depository institution.
- A subsidiary of a depository institution that is wholly-owned and controlled by a depository institution **and** regulated by a federal banking agency.
- An entity that is a bona fide not-for-profit entity.
- A person regulated by the commissioner of insurance if that person's principal business is that of preparing abstracts or making searches of titles that are used as a basis for the issuance of any title insurance policy by a company doing business under the laws of this state relating to insurance companies.
- An entity that is not regularly engaged in the business of brokering residential mortgage loans. See Mont. Code Ann. § [32-9-103\(39\)](#).

Pre-requisites for license application?

- Surety bond: A mortgage broker must carry a surety bond in the following amount:
 - \$25,000 for a combined annual loan production that does not exceed \$50 million per year;
 - \$50,000 for annual loan production of \$50 million but not exceeding \$100 million per year;
 - \$100,000 for annual loan production of more than \$100 million per year.

- Sponsorship: in order to have an "Approved" license, the applicant must sponsor at least one approved Montana licensed mortgage loan originator. If an applicant has met all the requirements for licensure except that it does not have employ at least one approved Montana licensed loan originator, the license will be placed in an "Approved-Inactive" status until sponsorship occurs. Please note: An entity is **NOT** authorized to conduct business in an "Approved-Inactive" status.
- Criminal and civil background check: principals, designated managers, and loan originators
- Credit check: principals, designated managers, and loan originators
- Experience: designated managers must have three years experience
- Testing: designated managers and loan originators
- Education: designated managers and loan originators
- Nonrefundable fee: \$600 including the NMLS processing fee
- An individual who is applying for a mortgage loan originator license and who is an owner of a mortgage broker entity shall pay a fee of \$630 for both licenses.¹

WHO TO CONTACT – Contact the Montana Division of Banking and Financial Institutions licensing staff by phone at (406) 841-2920 or send your questions via e-mail to mortgagelicensing@mt.gov for additional assistance.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE AGENCY SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL

¹ The applicant for a MLO and broker license will have to pay the full state and NMLS fee through the NMLS for both licenses. Montana will refund the \$400 Montana MLO fee off-system.